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Michael Grecco Productions, Inc.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

MICHAEL GRECCO PRODUCTIONS,
INC., a California corporation,

Plaintiff,

v.

VALNET, INC., a Canadian corporation;
and DOES 1-10, inclusive,

Defendants.

Case No.

**COMPLAINT FOR COPYRIGHT
INFRINGEMENT**

DEMAND FOR JURY TRIAL

1 Michael Grecco Productions, Inc (“Grecco ”), by and through its attorneys of record,
2 complains against Valnet, Inc. (“Valnet”) and DOES 1-10 (collectively “Defendants”) as
3 follows:

4 **JURISDICTION AND VENUE**

5 1. This is a civil action against Defendants for their acts of copyright
6 infringement in violation of the United States Copyright Act, 17 U.S.C. §§ 101 et seq.

7 2. This Court has subject matter jurisdiction over this copyright infringement
8 action under 28 U.S.C. §§ 1331, 17 U.S.C. § 501(a), and 28 U.S.C. § 1338(a).

9 3. Venue is proper in this District under 28 U.S.C. §§ 1391(b) and (c) and 28
10 U.S.C. § 1400(a) in that the claim arises in this Judicial District, the Defendants may be
11 found and transact business in this Judicial District, and the injury suffered by Grecco took
12 place in this Judicial District. Defendants are subject to the general and specific personal
13 jurisdiction of this Court because of their contacts with the State of California.

14
15 **PARTIES**

16 4. Plaintiff Grecco is a photography studio and business owned and operated by
17 photographer Michael Grecco. Grecco is the successor by corporate name change to
18 Michael Grecco Photography, Inc. Grecco is incorporated in California and has a principal
19 place of business located at 3103 17th Street, Santa Monica, California 90405.

20 5. Grecco is informed and believes and, upon such, alleges that Defendant Valnet
21 is a corporation incorporated in Saint-Laurent, Canada with its principal place of business
22 in 7405 Transcanada, Suite 100, Saint-Laurent (QC) H4T 1Z2, Canada. Valnet is also the
23 owner of thirteen influential brands and uses those brands for its publishing service.

24 6. DOES 1 through 10, inclusive, are unknown to Grecco, who therefore sues
25 said Defendants by such fictitious names. Grecco will ask leave of Court to amend this
26 Complaint and insert the true names and capacities of said Defendants when the same have
27 been ascertained. Grecco is informed and believes and, upon such, alleges that each of the
28 Defendants designated herein as a “DOE” is legally responsible in some manner for the

1 events and happenings herein alleged, and that Grecco's damages as alleged herein were
2 proximately caused by such Defendants.

3 4 **STATEMENT OF FACTS**

5 *Plaintiff's Business and the Images Forming the Subject Matter of This Dispute.*

6 7. Michael Grecco, principal and owner of Grecco, is an award winning
7 commercial photographer and film director. Grecco is noted for its iconic celebrity
8 portraits, innovative magazine covers, editorial images, and advertising spreads for
9 numerous top-tier media outlets.

10 8. As part of its business as a prominent celebrity photography agency, Grecco is
11 hired by a multitude of top-tier media outlets, such as Hollywood studios, to take
12 photographs of celebrities. Grecco then licenses its photographs on an exclusive and non-
13 exclusive basis to the top-tier media outlets. Grecco has licensed individual images of
14 celebrities for thousands of dollars to major top-tier media outlets.

15 9. Grecco has created many stylized and valuable photographs of celebrities.
16 Some among them include: 1) the Fox Mulder and Dana Scully Flashlight Photo ("X-Files-
17 1 Photo"); 2) the Kira Photo ("Star-Trek Photo"); 3) the Fox Mulder and Dana Scully Desk
18 Photo ("X-Files-2 Photo"); 4) the Heather Mitts Photo ("Mitts Photo"); and 5) the Kathy
19 Ireland Photo ("Ireland Photo") (collectively, the "Images"). Copyright infringement of
20 these Images is at issue in this case.

21 10. Grecco has timely obtained the following registrations with the United States
22 Copyright Office for the aforementioned Images: 1) X-Files-1 Photo, Reg. No.: VA 1-232-
23 596 on September 8, 2003; 2) Star Trek Photo, Reg. No.: VA 1-736-729 on July 7, 2010; 3)
24 X-Files-2 Photo, Reg. No. VA 2-030-741 on January 22, 2017; 4) Mitts Photo, Reg No.
25 VAu 1-017-645 on April 27, 2009; and 5) Ireland Photo, Reg. No.: VAu 1-091-782 on
26 February 07, 2012 (collectively the "Copyright Registrations").

27 11. True and correct copy of the X-Files-1 Photo and its copyright registration is
28 attached hereto as Exhibit A. True and correct copy of the Star Trek Photo and its copyright

1 registration is attached hereto as Exhibit B. True and correct copy of the X-Files-2 Photo
 2 and its copyright registration is attached hereto as Exhibit C. True and correct copy of the
 3 Mitts Photo and its copyright registration is attached hereto as Exhibit D. True and correct
 4 copy of the Ireland Photo and its copyright registration is attached hereto as Exhibit E.

5 12. Grecco filed for copyright registration of all the Photos within 90 days of their
 6 authorship and first publication and/or before Defendants' copyright infringement of the
 7 same.

8
 9 *The Defendants and the Marketplace.*

10 13. On information and belief, Valnet is a sophisticated and successful online
 11 Media publisher serving its readers by publishing, creating, and distributing content for its
 12 brands and audiences, worldwide through its website: <https://www.valnetinc.com/>
 13 ("Website"). Valnet has a portfolio of thirteen influential brands, almost all with their own
 14 websites—namely, TheRichest (<https://www.therichest.com/>); ScreenRant
 15 (<https://screenrant.com/>); TheTalko (<https://www.thetalko.com/>); TheSportster
 16 (<https://www.thesportster.com/>); TheGamer (<https://www.thegamer.com/>); BabyGaga
 17 (<https://www.babygaga.com/>); TheThings (<https://www.thethings.com/>); TheQuiz
 18 (<https://www.thequiz.com/>); LittleAngel (<https://www.valnetinc.com/en/brands/littleangel>);
 19 HotCars (<https://www.hotcars.com/>); CBR (<https://www.cbr.com/>); TheHub
 20 (<https://www.valnetinc.com/en/brands/thehub>); and TheTrendy
 21 (<https://www.valnetinc.com/en/brands/thetrendy>) (collectively the "Brand Websites")—in a
 22 variety of different industries. True and correct copies of screenshots of the Website
 23 showing the brands are attached hereto as Exhibit F. Valnet uses its brands to publish,
 24 create, and distribute content for its brands and audiences.

25 14. Defendant Valnet touts itself to be the world's leader in the content creation
 26 and distribution industry. On information and belief, Defendant's goal of reaching the
 27 worldwide community is evident in the in the advertising materials displayed on its
 28 website. As Defendant states, among other statistics, it receives 1 billion monthly page

1 views, 83 million monthly users, 540 million monthly YouTube video views, and 12
2 million YouTube subscriptions. True and correct copies of screenshots of the Website
3 illustrating the advertising material are attached hereto as Exhibit G.

4 15. Grecco alleges, on information and belief, that Defendant Valnet owned and
5 operated the Website and the Brand Websites at all times relevant to this dispute.

6 16. Defendants are aware of the value of copyrights and the legal implications of
7 copyright infringement. The Website has a specific form to contact the legal department
8 with any queries. The Brand Websites have detailed “Terms of Use” that discuss
9 intellectual property rights, prohibit illegal use, etc. Further, the Brand Websites have a
10 sperate section on copyright with detailed discussions on the “Digital Millennium
11 Copyright Act Policy, Notice and Takedown Procedure.” True and correct copies of
12 screenshots of the Websites and the Brand Websites evidencing Defendants’ awareness of
13 copyrights and the legal implications of copyright infringement are attached hereto as
14 Exhibit H.

15 17. Defendants have, on information and belief, violated federal law by willfully
16 infringing Grecco’s copyrights to at least the Images identified herein. Specifically,
17 Defendants reproduced, distributed, and publicly displayed the Images, and derivatives
18 thereof, on the Website and Brand Websites without permission, consent, or license. True
19 and correct copies of screenshots of the Website and Brand Websites showing Defendants’
20 infringing use of the Images are attached hereto as Exhibit I.

21 18. In fact, Defendants were aware that Michael Grecco owned the copyright to at
22 least one of the Images, namely, the Ireland Photo. As evidenced in Exhibits E and I, the
23 Ireland Photo has a by-line that clearly states, “PHOTOGRAPHED BY MICHAEL
24 GRECCO FOR FORBES.” However, despite that knowledge, Defendants blatantly and
25 without seeking any permission from Grecco, reproduced, distributed, and publicly
26 displayed the Ireland Photo.
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28

1 19. In the marketplace, celebrity photos such as those at issue in this case carry
2 tremendous monetary value. Grecco licenses these images to various third parties to create
3 highly sought-after feature spreads, among other things, on television, print, and online.

4 20. On information and belief, Defendants' reproduction, distribution, and public
5 display of the Images, and derivatives thereof, continues unabated to this very day.

6 21. On information and belief, Defendants herein have driven significant traffic to
7 the Website in large part due to the presence of the sought after and searched-for celebrity
8 images that frame this dispute. All of this traffic translates into substantial ill-gotten
9 commercial advantage and revenue generation for Defendants as a direct consequence of
10 their infringing actions. For example, as of April 29, 2017, TheThings.com generated an
11 estimated website traffic of \$223,117 with over a hundred thousand daily page views. A
12 true and correct copy of a screenshot from freewebsitesitereport.org illustrating
13 TheThings.com's—one of Valent's brand—website traffic is attached hereto as Exhibit J.

FIRST CLAIM FOR RELIEF

(Copyright Infringement, 17 U.S.C. § 501)

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17 22. Plaintiff Grecco incorporates here by reference the allegations in paragraphs 1
18 through 20 above.

19 23. Grecco is the rightsholder to the copyrights of the Images, which substantially
20 consist of wholly original material that constitutes copyrightable subject matter under the
21 laws of the United States. Grecco has complied in all respects with the Copyright Act and
22 all of the laws of the United States governing copyrights. As evidenced by Exhibit C, the
23 Images have been timely registered with the United States Copyright Office.

24 24. Defendants have directly, vicariously, and/or contributorily infringed, and
25 unless enjoined, will continue to infringe Grecco's copyrights by reproducing, displaying,
26 distributing, and utilizing the Images for purposes of trade without authorization of or
27 payment to Grecco in violation of 17 U.S.C. § 501 et seq.

1 25. Defendants has willfully infringed, and unless enjoined, will continue to
2 infringe Grecco's copyrights by knowingly reproducing, displaying, distributing, and
3 utilizing the Images for purposes of trade.

4 26. On information and belief, Defendants's acts of infringement are willful
5 because, *inter alia*, the Defendants are sophisticated businesses with full knowledge of the
6 strictures of federal copyright law and the basic requirements for licensing the use of
7 copyrighted content for commercial exploitation.

8 27. On information and belief, Defendants, despite such knowledge, willfully
9 reproduced, publicly distributed, and publicly displayed the Images on the Website and the
10 Brand Websites.

11 28. Defendants has received substantial benefits in connection with the
12 unauthorized reproduction, display, distribution, and utilization of the Images for purposes
13 of trade, including by increasing the traffic to the Website and Brand Websites and, thus,
14 increasing the potential sales and advertisements opportunities of Defendants' and other
15 companies' products.

16 29. Defendants' actions were and are continuing to be performed without
17 Grecco's permission, license, or consent.

18 30. Defendants' wrongful acts have caused, and are causing, great injury to
19 Grecco, of which damages cannot be accurately computed, and unless this Court restrains
20 Defendants from further commission of said acts, Grecco will suffer irreparable injury, for
21 all of which it is without an adequate remedy at law. Accordingly, Grecco seeks a
22 declaration that Defendants is infringing Grecco's copyrights and an order under 17 U.S.C.
23 § 502 enjoining Defendants from any further infringement of Grecco's copyrights.

24 31. As a result of Defendants' wrongful acts alleged herein, Grecco has suffered
25 and is suffering substantial damage to its business in the form of diversion of trade, loss of
26 profits, injury to goodwill and reputation, and the dilution of the value of its rights, all of
27 which are not yet fully ascertainable.

32. Because of the willful nature of Defendants' copyright infringement, Grecco is entitled to an award of statutory damages of up to \$150,000 per copyrighted work.

33. Grecco has identified at least five copyrighted works—namely, the Images—infringed by Defendants, which occurred by way of reproduction, public distribution, and public display of the Images on the Website and the Brand Websites on at least 8 different and distinct occasions and locations. Therefore, Grecco is entitled to an award of \$1,200,000 (\$150,000 times eight infringements of the Images) in statutory damages.

34. Alternatively, at its discretion, Grecco is entitled to actual damages in an amount to be proven at trial for the infringement of all works at issue.

35. Grecco is also entitled to its attorney's fees in prosecuting this action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Grecco requests judgment against Defendants as follows:

1. The Defendants, their officers, agents, servants, employees, representatives, and attorneys, and all person in active concert or participation with them, be permanently enjoined from designing, copying, reproducing, displaying, promoting, advertising, distributing, or selling, or any other form of dealing or transaction in, any and all advertising and promotional materials, print media, signs, Internet websites, or any other media, either now known or hereafter devised, bearing any design or mark which infringe, contributorily infringe, or vicariously infringe upon Grecco's rights in the photographs at issue.

2. Defendants be held liable to Grecco in statutory damages for copyright infringement, including willful infringement, in accordance with 17 U.S.C. §§ 504 (a)(2) and (c) and for costs, interest, and reasonable attorney's fees pursuant to 17 U.S.C. § 505.

3. An accounting be made for all profits, income, receipts, or other benefit derived by Defendants from the reproduction, copying, display, promotion, distribution, or sale of products and services, or other media, either now known or hereafter devised that

1 improperly or unlawfully infringes upon Grecco's copyrights pursuant to 17 U.S.C. § 504
2 (a)(1) and (b).

3 4. Requiring Defendants to account for and pay over to Grecco all profits derived
4 by Defendants from their acts of copyright infringement and to reimburse Grecco for all
5 damages suffered by Grecco by reasons of Defendants's acts, pursuant to 17 U.S.C. §§ 504
6 (a)(1) and (b).

7 5. Actual damages for copyright infringement pursuant to 17 U.S.C. §§ 504
8 (a)(1) and (b).

9 6. That Grecco be awarded any such other and further relief as the Court may
10 deem just and appropriate.

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13 Dated: June 1, 2018

ONE LLP

14
15 By: /s/ Vishwanath Kootala Mohan
16 Vishwanath Kootala Mohan
17 Peter R. Afrasiabi
18 John Tehranian
19 *Attorneys for Plaintiff,*
20 *Michael Grecco Productions, Inc.*
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DEMAND FOR JURY TRIAL

Plaintiff Grecco hereby demands a trial by jury as to all claims and all issues properly triable thereby.

Dated: June 1, 2018

ONE LLP

By: /s/ Vishwanath Kootala Mohan
Vishwanath Kootala Mohan
Peter R. Afrasiabi
John Tehranian

*Attorneys for Plaintiff,
Michael Grecco Productions, Inc.*